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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

Arizona Corporation Commission

DOCKETED

LEA MÁRQUEZ PETERSON - Chairman
SANDRA D. KENNEDY
JUSTIN OLSON
ANNA TOVAR
JIM O'CONNOR

APR 1 2021

DOCKETED BY

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In the matter of

DOCKET NO. S-21146A-21-0044

DECISION NO. 77919

Guilford Nergard;

Respondent.

**ORDER FOR SUSPENSION,
ADMINISTRATIVE PENALTY AND
CONSENT TO SAME**

Guilford Nergard, CRD# 2360614, ("Respondent") elects to permanently waive any right to a hearing and appeal under Articles 11 and 12 of the Securities Act of Arizona, A.R.S. § 44-1801 et seq. ("Securities Act") with respect to this Order for Suspension, Administrative Penalty and Consent to Same ("Order"), admits the jurisdiction of the Arizona Corporation Commission ("Commission"), admits to the Findings of Fact and Conclusions of Law contained in this Order, and consents to the entry of this Order by the Commission.

I.

FINDING OF FACT

1. Respondent has been registered as a salesman in multiple states, including Arizona since 1993.

2. Respondent was employed by Raymond James & Associates, Inc., CRD# 705 ("Raymond James") from May 2013 to November 2020.

3. During Respondent's employment with Raymond James, Respondent was registered

1 in Arizona as a salesman.

2 4. Respondent was terminated from Raymond James on November 6, 2020 with the
3 following termination comment: "In violation of Firm policy, FA did not obtain Firm approval prior
4 to executing trades that exceeded use of time discretion in non-discretionary advisory accounts."

5 5. Respondent was hired by Newbridge Securities Corporation, CRD# 104065, which
6 filed an application on Respondent's behalf for registration in Arizona as a salesman and investment
7 adviser representative on November 30, 2020.

8 6. During the review of Respondent's applications, the Commission discovered the
9 termination comment and submitted a request for additional information from Raymond James.

10 7. Raymond James disclosed to the Commission a copy of Respondent's Letter of
11 Understanding, dated March 14, 2017.

12 8. The March 14, 2017 letter details that it is the third Letter of Understanding issued to
13 the Respondent. The letter states that "[d]ue to our loss of confidence in your discretionary model
14 management and high trading activity, you will cease discretionary trading over the next 30 days".
15 As a result, Raymond James revoked Respondent's authority to make discretionary trades as of April
16 17, 2017.

17 9. Respondent continued to make discretionary trades in clients' accounts and as a result
18 was terminated by Raymond James.

20 II.

21 CONCLUSIONS OF LAW

22 1. The Commission has jurisdiction over this matter pursuant to Article XV of the
23 Arizona Constitution and the Securities Act.

24 2. Respondent made discretionary trades for his clients without proper authorization in
25 violation of A.R.S. § 44-1962(A)(10) and A.A.C R14-4-130(A)(6).

26 3. Respondent's conduct is grounds for a suspension pursuant to A.R.S. § 44-1962.

1 4. Respondent's conduct is grounds for an administrative penalty pursuant to A.R.S. §
2 44-2036.

3 **III.**

4 **ORDER**

5 THEREFORE, on the basis of the Findings of Fact, Conclusions of Law, and Respondent's
6 consent to the entry of this Order (attached and incorporated by reference), the Commission finds
7 that the following relief is appropriate, in the public interest, and necessary for the protection of
8 investors:

9 IT IS ORDERED, pursuant to A.R.S. § 44-2032, that Respondent and any of Respondent's
10 agents, employees, successors and assigns permanently refrain from future violations of the
11 Securities Act.

12 IT IS FURTHER ORDERED that Respondent complies with the attached Consent to Entry
13 of Order.

14 IT IS FURTHER ORDERED, pursuant to A.R.S. § 44-1962, that Respondent's salesman
15 registration will be suspended for three months from the date of this Order.

16 IT IS FURTHER ORDERED, pursuant to A.R.S. § 44-2036, that Respondent pay an
17 administrative penalty in the amount of \$2,500. Payment is due in full within ten days of the date of
18 this Order. Payment shall be made to the "State of Arizona."

19 IT IS FURTHER ORDERED, that if Respondent fails to comply with this order, the
20 Commission may bring further legal proceedings against Respondent, including application to the
21 superior court for an order of contempt.

IT IS FURTHER ORDERED that this Order shall become effective immediately.

BY ORDER OF THE ARIZONA CORPORATION COMMISSION

Lea M. Peterson

CHAIRMAN MARQUEZ-PETERSON

James P. Kennedy

COMMISSIONER KENNEDY

Justin Olson

COMMISSIONER OLSON

Anna Tovar

COMMISSIONER TOVAR

James P. O'Connor

COMMISSIONER O'CONNOR



IN WITNESS WHEREOF, I, MATTHEW J. NEUBERT, Executive Director of the Arizona Corporation Commission, have hereunto set my hand and caused the official seal of the Commission to be affixed at the Capitol, in the City of Phoenix, this 7th day of April, 2021.

Matthew J. Neubert

MATTHEW J. NEUBERT
EXECUTIVE DIRECTOR

DISSENT

DISSENT

This document is available in alternative formats by contacting Carolyn Buck, ADA Coordinator, voice phone number (602) 542-3931, e-mail cdbuck@azcc.gov.

CONSENT TO ENTRY OF ORDER

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2 1. Respondent admits the jurisdiction of the Commission over the subject matter of this
3 proceeding. Respondent acknowledges that he has been fully advised of his right to a hearing to
4 present evidence and call witnesses and Respondent knowingly and voluntarily waives any and all
5 rights to a hearing before the Commission and all other rights otherwise available under Article 11
6 of the Securities Act and Title 14 of the Arizona Administrative Code. Respondent acknowledges
7 that this Order for Suspension, Administrative Penalty and Consent to Same ("Order") constitutes a
8 valid final order of the Commission.

9 2. Respondent knowingly and voluntarily waives any right under Article 12 of the
10 Securities Act to judicial review by any court by way of suit, appeal, or extraordinary relief resulting
11 from the entry of this Order.

12 3. Respondent acknowledges and agrees that this Order is entered into freely and
13 voluntarily and that no promise was made or coercion used to induce such entry.

14 4. Respondent acknowledges that he has been represented by an attorney in this matter
15 and has reviewed this Order with his attorney, Alan Baskin of Baskin PLC, and understands all terms
16 it contains.

17 5. Respondent admits to the Findings of Fact and Conclusions of Law contained in this
18 Order. Respondent agrees that he shall not contest the validity of the Findings of Fact and
19 Conclusions of Law contained in this Order in any present or future proceeding in which the
20 Commission is a party.

21 6. While this Order settles this administrative matter between Respondent and the
22 Commission, Respondent understands that this Order does not preclude the Commission from
23 instituting other administrative or civil proceedings based on conduct that is not addressed by this
24 Order.

25 7. Respondent understands that this Order does not preclude the Commission from
26 referring this matter to any governmental agency for administrative, civil, or criminal proceedings

1 that may be related to the matters addressed by this Order.

2 8. Respondent understands that this Order does not preclude any other agency or officer
3 of the state of Arizona or its subdivisions from instituting administrative, civil, or criminal
4 proceedings that may be related to matters addressed by this Order.

5 9. Respondent agrees that any application to the State of Arizona for registration as a
6 securities dealer or salesman or for licensure as an investment adviser or investment adviser
7 representative will not be acted upon until such time as the suspension is served and all penalties
8 under this Order are paid in full.

9 10. Respondent agrees that he will not offer or sell securities or provide investment
10 advisory services within or from Arizona until such time as the suspension is served and all penalties
11 under this Order are paid in full.

12 11. Respondent consents to the entry of this Order and agrees to be fully bound by its
13 terms and conditions.

14 12. Respondent acknowledges and understands that if he fails to comply with the
15 provisions of the Order and this consent, the Commission may bring further legal proceedings against
16 Respondent, including application to the superior court for an order of contempt.

17 13. Respondent understands that a default in relation to Respondent's obligation to pay
18 the penalty called for under this Order shall render Respondent liable to the Commission for its costs
19 of collection, including reasonable attorneys' fees and interest at the maximum legal rate.

20 14. Respondent agrees that in the event of a bankruptcy proceeding, pursuant to 11 U.S.C.
21 § 523(a)(19), the following circumstances exist:

22 A. The obligations incurred as a result of this Order are a result of the conduct set forth
23 in the Findings of Fact and Conclusions of Law in the Order and are for the violation of
24 Arizona state securities laws, pursuant to 11 U.S.C. § 523(a)(19)(A)(i);

25 B. This Order constitutes a judgment, order, consent order, or decree entered in a state
26 proceeding pursuant to 11 U.S.C. § 523(a)(19)(B)(i), a settlement agreement entered into by

Respondent pursuant to 11 U.S.C. § 523(a)(19)(B)(ii), and a court order for damages, fine, penalty, citation, restitution payment, disgorgement payment, attorney fee, cost or other payment owed by Respondents pursuant to 11 U.S.C. § 523(a)(19)(B)(iii).


Guilford Nergard

STATE OF ARIZONA)
County of Maricopa) ss

SUBSCRIBED AND SWORN TO BEFORE me this 8th day of March 2021.




NOTARY PUBLIC

1 SERVICE LIST FOR: Guilford Nergard

2 Alan Baskin

3 Baskin PLC

4 6263 N. Scottsdale Road, Suite 340

5 Scottsdale, AZ 85250

6 Attorney for Respondent

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